




Speech By
Hon. Grace Grace

MEMBER FOR MCCONNELL

Record of Proceedings, 26 October 2021

**SUPERANNUATION (STATE PUBLIC SECTOR) (SCHEME ADMINISTRATION)
AMENDMENT BILL**

 **Hon. G GRACE** (McConnel—ALP) (Minister for Education, Minister for Industrial Relations and Minister for Racing) (3.51 pm): I rise to support the Superannuation (State Public Sector) (Scheme Administration) Amendment Bill. As a proud former union official, I would like to acknowledge the tireless work undertaken by unions, employers and members over many decades in championing a universal superannuation scheme for all Australian workers. It was an absolute honour in the mid-1980s to be one of the industrial advocates who got superannuation clauses inserted in all of the state system awards. May I add that Sunsuper, as a default scheme, was all part of getting it going from strength to strength. I have also had the honour of serving on the QSuper board, particularly at the time when the new QSuper was born, and what a fantastic fund it is. I have also had the honour of not only serving on the Sunsuper board but being its chair for two years.

Mr Bleijie: This is a resume.

Ms GRACE: And it is a resume that I will recite in this House many, many times. Those opposite want to make out that they know about superannuation, but none of them have a clue. None of them have been on any of the fund boards. None of them have chaired any. None of them have been involved. None of them have advocated. None of them have been at the commission to get it in the awards. None of them have done anything. Yet it is very good that they are supporting this superannuation amendment bill.

I have seen firsthand the positive impacts that superannuation has had on the lives of working people in Queensland and across the nation. The hidden fantastic part of this is the life insurance that is embedded in most superannuation funds. Workers across the board in Australia had very little access to that kind of insurance. In fact, Mates in Construction grew after the number of terrible deaths that occurred in that industry and how that went through the superannuation fund. The union decided that enough was enough and they needed to do something to address it. Every month when they were making decisions about payments to families of members, this issue of self-harm came up, and Mates was born from the money that was going to those families. It would never have happened without the birth of superannuation. Forgive me, Madam Deputy Speaker, if I am very proud of what the Labor governments have been able to achieve over all of these years.

Put simply, superannuation allows people to retire with dignity and financial security, which is something that every Queenslanders deserves. As has been previously stated in this debate, the bill facilitates the proposed merger of Queensland's largest superannuation funds, QSuper and Sunsuper. The best thing about it is that these funds have been managed so well over the years. QSuper is the only public sector fund in the country that is fully funded. That is unbelievable. Billions of dollars are sitting there, waiting, invested for the benefit of members. Every other fund has a liability, where it is not there.

Opposition members interjected.

Ms GRACE: You guys have only been in for three of the last 30 years. It is Labor governments that have funded those super funds, so I would not get too cocky over there if I were you.

The other part is Sunsuper, which is an absolutely fantastic scheme. It was set up by the QCCI and the QCU at the time. It was started to mop up all of those workers who were not directly involved in an industry—because it was the industry funds that were born out of the decision that came down from the federal commission in the mid-1980s. Sunsuper was there to mop up all of those employees and employers who were not part of a particular industry. We are the only surviving and growing scheme of that nature in this state. The rest have merged, have not been able to grow or did not have what I did as industrial officer—that is, I put them as a default super fund in the clauses of those common rule awards. It was absolutely a stroke of genius, if I say so myself, and now we have two fantastic funds that are about to merge because of this bill.

Opposition members interjected.

Ms GRACE: Just ask me! These two fantastic funds are just about to merge to create the second largest superannuation fund in Australia. I know those opposite laugh and think it is funny, but just think about what Queensland is doing. Not only is it the second largest superannuation fund in Australia; it is the second largest fully funded superannuation fund in Australia. This is absolutely outstanding.

There is an interesting point about this. I remember back in the late 1990s we received a McKinsey report. McKinsey was a global management consultant firm. There was a proposition back then to merge Sunsuper, QSuper and QIC. It was an incredibly bold report that had been commissioned by those three organisations back in the late 1990s where they went through it all. The difficulty was that QSuper was still a public sector fund; it had not opened up to other members. They came to the realisation in the late 1990s to early 2000s—and this is when I joined the board when I was elected the QCU general secretary—that it was just beyond reach. I remember speaking to McKinsey when it went down because it was not going to happen. I said to them that they were about 20 to 25 years ahead of their time. Here we are today, nearly 22 years later, passing this bill in the House that is going to effectively bring about a fantastic new superannuation fund in the best interests of members. That is what is driving this.

As the member for Gympie said, you get more economies of scale, you can reduce your fees and you have a better chance of buying investments that cost less because you have a bigger share of the investment amount that you have to give. It preserves our defined benefit fund, which is absolutely important to those who are in the DBF. There is no doubt that it is one of the best defined benefit funds in Australia, and we want to make sure we preserve that. Of course the accumulation fund continues in its security, and the board nominees are there to make sure we have a good spread and we have excellent people. I commend Don Luke, the current chair of QSuper. Don Luke was the CEO of Sunsuper—

Mrs Frecklington: This is a job application.

Ms GRACE: I cannot help it if those opposite do not know any of these people. They have no idea who they are. Don Luke is a superannuation expert and an absolute genius in this area. We know that the merged fund is in good hands with him as the chair. He is one of the most expert people in superannuation that I know.

Opposition members interjected.

Madam DEPUTY SPEAKER (Mrs Gerber): Order, members!

Opposition members interjected.

Madam DEPUTY SPEAKER: Pause the clock. Members, I have just called the House to order.

Ms GRACE: Jealousy is very hard, I know. It is very difficult. I cannot wait to hear from the member for Kawana—he has not stopped interjecting—in terms of all the experience he has with superannuation funds. I would love to hear it all.

This is a great piece of legislation. The merger will be great not only for the Queensland economy but also for Queensland jobs. I can just see it growing bigger and bigger. There is an incredible number of people who will do administration. Obviously, QIC will continue in its fantastic ability in terms of investing funds. We will have in this state a \$200 billion super fund as part of a \$3.3 trillion superannuation industry. We will find that this will grow quickly. The fund is now open to all members of the community. It will provide a fantastic base for people to be part of that great concept of industry superannuation—created by Paul Keating and Bob Hawke and supported and advanced by the unions. It will give workers in this country a superannuation industry and superannuation benefits that are the envy of the rest of the world.

I am proud to stand here as someone who has worked in superannuation most of my life. With my experience, I know that this bill is fantastic. I commend the Treasurer, the chair of the committee—the member for Logan—the deputy chair and committee members. I commend the bill to the House.